

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

THE UNITED STATES OF AMERICA

vs. CR 04 0044

VICTOR CONTE, JR., JAMES VALENTE,
GREG ANDERSON and REMI KORCHEMNY

SI

INDICTMENT

21 U.S.C. §§ 846 and 841 (b)(1)(D) - Conspiracy to Distribute and Possess With Intent to Distribute Anabolic Steroids; 21 U.S.C. 841(b)(1)(D) - Possession With Intent To Distribute Anabolic Steroids; 18 U.S.C. § 371 and 21 U.S.C. §§ 331(a), 331(k), and 333(b)(2) - Conspiracy to Defraud the United States Through The Introduction and Delivery of Misbranded Drugs with Intent To Defraud and Mislead, And The Misbranding Of Drugs Held For Sale With Intent to Defraud And Mislead; 21 U.S.C. §§ 331(a) and 333(a)(2) - Introduction and Delivery of Misbranded Drugs With Intent To Defraud And Mislead; 21 U.S.C. §§ 331(k) and 333(a)(2) - Misbranding of Drugs Held For Sale With Intent To Defraud and Mislead; 21 U.S.C. § 333 (e)(1) - Possession With Intent To Distribute Human Growth Hormone; 18 U.S.C. § 1956(h) - Conspiracy To Launder Monetary Instruments; 18 U.S.C. § 1956(a)(1)(b)(i) - Money Laundering; 18 U.S.C. § 2 - Aiding and Abetting; 18 U.S.C. § 982 and 21 U.S.C. §§ 853 and 881 - Criminal Forfeiture

A true bill.

Almerie

At Bail await Warrant to issue 57408

Until 12:00 pm 2/13/04

Filed in open court this 12th day of February A.D. 2004

Brenda Tolbert
Clerk

Bail. \$ _____

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

SEE ATTACHED SHEET

Petty
 Minor
 Misdemeanor
 Felony

PENALTY:

SEE ATTACHED SHEET

Name of District Court, and/or Judge/Magistrate Location
 NORTHERN DISTRICT OF CALIFORNIA

04 FEB 12 AM 10:07

 RICHARD H. BROWN
 NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

VICTOR CONTE, JR.

DISTRICT COURT NUMBER

CR 04 0044

DEFENDANT

SI

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

- 1) If not detained give date any prior summons was served on above charges
- 2) Is a Fugitive
- 3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
- 5) On another conviction
- 6) Awaiting trial on other charges } Fed'l State

If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

Month/Day/Year

DATE OF ARREST

Or... if Arresting Agency & Warrant were not

Month/Day/Year

DATE TRANSFERRED TO U.S. CUSTODY

 This report amends AO 257 previously submitted

Name and Office of Person
 Furnishing Information on
 THIS FORM

KEVIN V. RYAN

U.S. Att'y Other U.S. Agency

Name of Asst. U.S. Att'y
 (if assigned)

AUSA JEFF NEDROW

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

SUMMONS NO PROCESS* WARRANT Bail Amount: NONE

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

PENALTY SHEET—UNITED STATES V. VICTOR CONTE ET AL

**Count One—Conspiracy to Possess Anabolic Steroids With Intent To Distribute
(21 U.S.C. Section 846)**

Defendants: Victor Conte, James Valente, Greg Anderson, Remi Korchemny

Penalties:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Two Years Supervised Release

\$100 special assessment fee

**Counts Two through Seven—Possession With Intent to Distribute Anabolic Steroids;
Aiding And Abetting (21 U.S.C. § 841(a)(1))**

Defendants: Count 2: Victor Conte, James Valente, Remi Korchemny

Count 3: Victor Conte, James Valente, Greg Anderson

Count 4: Victor Conte, James Valente

Count 5: Victor Conte, James Valente, Remi Korchemny

Count 6: Victor Conte, James Valente, Greg Anderson

Count 7: Victor Conte, James Valente, Greg Anderson

Penalties for each Count:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Two Years Supervised Release

\$100 special assessment fee

Count Eight—Conspiracy to defraud the United States

(18 U.S.C. Section 371)

Penalty:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Three Years Supervised Release

\$100 special assessment fee

Counts 32-35--Distribution and Possession with intent to distribute human growth hormone for unauthorized uses
(21 U.S.C. § 333(e)(1))

Defendants: Count 32: Victor Conte, James Valente
Count 33: Victor Conte, James Valente
Count 34: Greg Anderson
Count 35: Greg Anderson

Penalties for each count

Maximum Five Years Imprisonment
\$250,000 fine
Maximum Three Years Supervised Release
\$100 special assessment fee

Count 36
Conspiracy to Commit Money Laundering
(18 U.S.C. Section 1956(h))

Defendants: Conte, Valente, and Anderson

Penalty: Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Counts 37-42--Money Laundering
(18 U.S.C. Section 1956(a)(1)(b)(i))

Penalty for each count:

Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Criminal Forfeiture Allegations:

Forfeiture penalty:

Forfeiture of proceeds of drug trafficking and proceeds subject of money laundering conduct

**Counts Nine to Seventeen—Distributing in interstate commerce, with the intent to defraud and mislead, misbranded drugs
(21 U.S.C. Sections 331(a) and 333(a)(2))**

Defendants: Count 9: Victor Conte, James Valente, Greg Anderson
Count 10: Victor Conte, James Valente
Count 11: Victor Conte, James Valente, Greg Anderson
Count 12: Victor Conte, James Valente, Greg Anderson
Count 13: Victor Conte, James Valente, Greg Anderson
Count 14: Victor Conte, James Valente, Greg Anderson
Count 15: Victor Conte, James Valente, Greg Anderson
Count 16: Victor Conte, James Valente
Count 17: Victor Conte, James Valente

Penalties for each count:

Maximum Three Years Imprisonment
\$250,000 fine
Maximum One Year Supervised Release
\$100 special assessment fee

Counts Eighteen to Thirty-One—Misbranded drugs held for sale with intent to defraud and mislead (21 U.S.C. Sections 331(k) and 333(a)(2))

Defendants: Count 18: Victor Conte, James Valente, Remi Korchemny
Count 19: Victor Conte, James Valente
Count 20: Victor Conte, James Valente, Remi Korchemny
Count 21: Victor Conte, James Valente, Remi Korchemny
Count 22: Victor Conte, James Valente, Remi Korchemny
Count 23: Victor Conte, James Valente
Count 24: Greg Anderson
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Count 26: Victor Conte, James Valente, Remi Korchemny
Count 27: Victor Conte, James Valente, Remi Korchemny
Count 29: Greg Anderson
Count 30: Victor Conte, James Valente, Remi Korchemny
Count 31: Victor Conte, James Valente, Greg Anderson

Penalties for each count:

Maximum Three Years Imprisonment
\$250,000 fine
Maximum One Year Supervised Release
\$100 special assessment fee

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

SEE ATTACHED SHEET

Petty
 Minor
 Misdemeanor
 Felony

PENALTY:

SEE ATTACHED SHEET

PROCEEDING

Name of Complainant Agency, or Person (&Title, if any)

SA JEFF NOVITZKY, IRS

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

This is a re-prosecution of charges previously dismissed which were dismissed on motion of:

U.S. Att'y Defense

this prosecution relates to a pending case involving this same defendant

prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

Name and Office of Person Furnishing Information on THIS FORM

KEVIN V. RYAN

U.S. Att'y Other U.S. Agency

Name of Asst. U.S. Att'y (if assigned)

AUSA JEFF NEDROW

Name of District Court, and/or Judge/Magistrate Location
 NORTHERN DISTRICT OF CALIFORNIA

01 FEB 12 AM 10:30

DEFENDANT - U.S.

REMI KORCHEMNY

DISTRICT COURT NUMBER

CR 04 0044 SI

DEFENDANT

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

- 1) If not detained give date any prior summons was served on above charges
- 2) Is a Fugitive
- 3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
- 5) On another conviction
- 6) Awaiting trial on other charges } Fed'l State

If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

DATE OF ARREST Month/Day/Year

Or... if Arresting Agency & Warrant were not

Month/Day/Year

DATE TRANSFERRED TO U.S. CUSTODY

This report amends AO 257 previously submitted

PROCESS:

SUMMONS NO PROCESS* WARRANT Bail Amount: NONE

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments:

**Counts Nine to Seventeen—Distributing in interstate commerce, with the intent to defraud and mislead, misbranded drugs
(21 U.S.C. Sections 331(a) and 333(a)(2))**

Defendants: Count 9: Victor Conte, James Valente, Greg Anderson
Count 10: Victor Conte, James Valente
Count 11: Victor Conte, James Valente, Greg Anderson
Count 12: Victor Conte, James Valente, Greg Anderson
Count 13: Victor Conte, James Valente, Greg Anderson
Count 14: Victor Conte, James Valente, Greg Anderson
Count 15: Victor Conte, James Valente, Greg Anderson
Count 16: Victor Conte, James Valente
Count 17: Victor Conte, James Valente

Penalties for each count:

Maximum Three Years Imprisonment

\$250,000 fine

Maximum One Year Supervised Release

\$100 special assessment fee

Counts Eighteen to Thirty-One—Misbranded drugs held for sale with intent to defraud and mislead (21 U.S.C. Sections 331(k) and 333(a)(2))

Defendants: Count 18: Victor Conte, James Valente, Remi Korchemny
Count 19: Victor Conte, James Valente
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Count 21: Victor Conte, James Valente, Remi Korchemny
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Penalties for each count:

Maximum Three Years Imprisonment

\$250,000 fine

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Counts 32-35--Distribution and Possession with intent to distribute human growth hormone for unauthorized uses
(21 U.S.C. § 333(e)(1))

Defendants: Count 32: Victor Conte, James Valente
Count 33: Victor Conte, James Valente
Count 34: Greg Anderson
Count 35: Greg Anderson

Penalties for each count

Maximum Five Years Imprisonment
\$250,000 fine
Maximum Three Years Supervised Release
\$100 special assessment fee

Count 36
Conspiracy to Commit Money Laundering
(18 U.S.C. Section 1956(h))

Defendants: Conte, Valente, and Anderson

Penalty: Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Counts 37-42--Money Laundering
(18 U.S.C. Section 1956(a)(1)(b)(i))

Penalty for each count:

Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Criminal Forfeiture Allegations:

Forfeiture penalty:

Forfeiture of proceeds of drug trafficking and proceeds subject of money laundering conduct

PENALTY SHEET—UNITED STATES V. VICTOR CONTE ET AL

**Count One—Conspiracy to Possess Anabolic Steroids With Intent To Distribute
(21 U.S.C. Section 846)**

Defendants: Victor Conte, James Valente, Greg Anderson, Remi Korchemny

Penalties:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Two Years Supervised Release

\$100 special assessment fee

**Counts Two through Seven—Possession With Intent to Distribute Anabolic Steroids;
Aiding And Abetting (21 U.S.C. § 841(a)(1))**

Defendants: Count 2: Victor Conte, James Valente, Remi Korchemny

Count 3: Victor Conte, James Valente, Greg Anderson

Count 4: Victor Conte, James Valente

Count 5: Victor Conte, James Valente, Remi Korchemny

Count 6: Victor Conte, James Valente, Greg Anderson

Count 7: Victor Conte, James Valente, Greg Anderson

Penalties for each Count:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Two Years Supervised Release

\$100 special assessment fee

**Count Eight—Conspiracy to defraud the United States
(18 U.S.C. Section 371)**

Penalty:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Three Years Supervised Release

\$100 special assessment fee

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

SEE ATTACHED SHEET

Petty
 Minor
 Misde-
 Felony

PENALTY:

SEE ATTACHED SHEET

PROCEEDING

Name of Complainant Agency, or Person (&Title, if any)

SA JEFF NOVITZKY, IRS

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

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prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

Name and Office of Person Furnishing Information on THIS FORM

KEVIN V. RYAN

U.S. Att'y Other U.S. Agency

Name of Asst. U.S. Att'y (if assigned)

AUSA JEFF NEDROW

PROCESS:

SUMMONS NO PROCESS* WARRANT Bail Amount: NONE

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

Name of District Court, and/or Judge/Magistrate Location
 NORTHERN DISTRICT OF CALIFORNIA

04 FEB 12

31 FEB 12 AM 10:00

NORTHERN DISTRICT OF CALIFORNIA

04 FEB 12 AM 10:00

DEFENDANT - U.S.

JAMES VALENTE

DISTRICT COURT NUMBER

CR

04 0044

DEFENDANT

SI

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

- 1) If not detained give date any prior summons was served on above charges
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} Fed'l State

If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

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Month/Day/Year

DATE TRANSFERRED TO U.S. CUSTODY

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

SUMMONS NO PROCESS* WARRANT Bail Amount: NONE

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

Date/Time:

Before Judge:

**Counts Nine to Seventeen—Distributing in interstate commerce, with the intent to defraud and mislead, misbranded drugs
(21 U.S.C. Sections 331(a) and 333(a)(2))**

Defendants: Count 9: Victor Conte, James Valente, Greg Anderson
Count 10: Victor Conte, James Valente
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Count 15: Victor Conte, James Valente, Greg Anderson
Count 16: Victor Conte, James Valente
Count 17: Victor Conte, James Valente

Penalties for each count:

Maximum Three Years Imprisonment
\$250,000 fine
Maximum One Year Supervised Release
\$100 special assessment fee

Counts Eighteen to Thirty-One—Misbranded drugs held for sale with intent to defraud and mislead (21 U.S.C. Sections 331(k) and 333(a)(2))

Defendants: Count 18: Victor Conte, James Valente, Remi Korchemny
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Penalties for each count:

Maximum Three Years Imprisonment
\$250,000 fine
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\$100 special assessment fee

PENALTY SHEET-UNITED STATES V. VICTOR CONTE ET AL

**Count One-Conspiracy to Possess Anabolic Steroids With Intent To Distribute
(21 U.S.C. Section 846)**

Defendants: Victor Conte, James Valente, Greg Anderson, Remi Korchemny

Penalties:

Maximum Five Years Imprisonment
\$250,000 fine
Maximum Two Years Supervised Release
\$100 special assessment fee

**Counts Two through Seven--Possession With Intent to Distribute Anabolic Steroids;
Aiding And Abetting (21 U.S.C. § 841(a)(1))**

Defendants: Count 2: Victor Conte, James Valente, Remi Korchemny

Count 3: Victor Conte, James Valente, Greg Anderson
Count 4: Victor Conte, James Valente
Count 5: Victor Conte, James Valente, Remi Korchemny
Count 6: Victor Conte, James Valente, Greg Anderson
Count 7: Victor Conte, James Valente, Greg Anderson

Penalties for each Count:

Maximum Five Years Imprisonment
\$250,000 fine
Maximum Two Years Supervised Release
\$100 special assessment fee

**Count Eight--Conspiracy to defraud the United States
(18 U.S.C. Section 371)**

Penalty:

Maximum Five Years Imprisonment
\$250,000 fine
Maximum Three Years Supervised Release
\$100 special assessment fee

Counts 32-35—Distribution and Possession with intent to distribute human growth hormone for unauthorized uses
(21 U.S.C. § 333(e)(1))

Defendants: Count 32: Victor Conte, James Valente
Count 33: Victor Conte, James Valente
Count 34: Greg Anderson
Count 35: Greg Anderson

Penalties for each count

Maximum Five Years Imprisonment
\$250,000 fine
Maximum Three Years Supervised Release
\$100 special assessment fee

Count 36
Conspiracy to Commit Money Laundering
(18 U.S.C. Section 1956(h))

Defendants: Conte, Valente, and Anderson

Penalty: Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Counts 37-42—Money Laundering
(18 U.S.C. Section 1956(a)(1)(b)(i))

Penalty for each count:

Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Criminal Forfeiture Allegations:

Forfeiture penalty:

Forfeiture of proceeds of drug trafficking and proceeds subject of money laundering conduct

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

SEE ATTACHED SHEET

Petty
 Minor
 Misdemeanor
 Felony

PENALTY:

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PROCEEDING

Name of Complainant Agency, or Person (&Title, if any)

SA JEFF NOVITZKY, IRS

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

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this prosecution relates to a pending case involving this same defendant

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MAGISTRATE CASE NO.

Name and Office of Person Furnishing Information on THIS FORM

KEVIN V. RYAN

U.S. Att'y Other U.S. Agency

Name of Asst. U.S. Att'y (if assigned)

AUSA JEFF NEDROW

Name of District Court, and/or Judge/Magistrate Location
 NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

GREG ANDERSON

DISTRICT COURT NUMBER

CR 04 0044

DEFENDANT

SI

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

- 1) If not detained give date any prior summons was served on above charges
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} Fed'l State

If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

Month/Day/Year

DATE OF ARREST

Or... if Arresting Agency & Warrant were not

Month/Day/Year

DATE TRANSFERRED TO U.S. CUSTODY

This report amends AO 257 previously submitted

PROCESS:

SUMMONS NO PROCESS* WARRANT Bail Amount: NONE

If Summons, complete following:

Arraignment Initial Appearance

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Defendant Address:

Date/Time:

Before Judge:

Comments:

**Counts Nine to Seventeen—Distributing in interstate commerce, with the intent to defraud and mislead, misbranded drugs
(21 U.S.C. Sections 331(a) and 333(a)(2))**

Defendants: Count 9: Victor Conte, James Valente, Greg Anderson
Count 10: Victor Conte, James Valente
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Count 12: Victor Conte, James Valente, Greg Anderson
Count 13: Victor Conte, James Valente, Greg Anderson
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Count 15: Victor Conte, James Valente, Greg Anderson
Count 16: Victor Conte, James Valente
Count 17: Victor Conte, James Valente

Penalties for each count:

Maximum Three Years Imprisonment
\$250,000 fine
Maximum One Year Supervised Release
\$100 special assessment fee

Counts Eighteen to Thirty-One—Misbranded drugs held for sale with intent to defraud and mislead (21 U.S.C. Sections 331(k) and 333(a)(2))

Defendants: Count 18: Victor Conte, James Valente, Remi Korchemny
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Count 27: Victor Conte, James Valente, Remi Korchemny
Count 29: Greg Anderson
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Count 31: Victor Conte, James Valente, Greg Anderson

Penalties for each count:

Maximum Three Years Imprisonment
\$250,000 fine
Maximum One Year Supervised Release
\$100 special assessment fee

PENALTY SHEET-UNITED STATES V. VICTOR CONTE ET AL

**Count One-Conspiracy to Possess Anabolic Steroids With Intent To Distribute
(21 U.S.C. Section 846)**

Defendants: Victor Conte, James Valente, Greg Anderson, Remi Korchemny

Penalties:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Two Years Supervised Release

\$100 special assessment fee

**Counts Two through Seven--Possession With Intent to Distribute Anabolic Steroids;
Aiding And Abetting (21 U.S.C. § 841(a)(1))**

Defendants: Count 2: Victor Conte, James Valente, Remi Korchemny

Count 3: Victor Conte, James Valente, Greg Anderson

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Count 6: Victor Conte, James Valente, Greg Anderson

Count 7: Victor Conte, James Valente, Greg Anderson

Penalties for each Count:

Maximum Five Years Imprisonment

\$250,000 fine

Maximum Two Years Supervised Release

\$100 special assessment fee

**Count Eight--Conspiracy to defraud the United States
(18 U.S.C. Section 371)**

Penalty:

Maximum Five Years Imprisonment

\$250,000 fine

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Counts 32-35--Distribution and Possession with intent to distribute human growth hormone for unauthorized uses
(21 U.S.C. § 333(e)(1))

Defendants: **Count 32:** Victor Conte, James Valente
Count 33: Victor Conte, James Valente
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Penalties for each count

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Conspiracy to Commit Money Laundering
(18 U.S.C. Section 1956(h))

Defendants: Conte, Valente, and Anderson

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Counts 37-42--Money Laundering
(18 U.S.C. Section 1956(a)(1)(b)(i))

Penalty for each count:

Maximum 20 years imprisonment
\$500,000 fine
Maximum Five Years Supervised Release
\$100 special assessment fee

Criminal Forfeiture Allegations:

Forfeiture penalty:

Forfeiture of proceeds of drug trafficking and proceeds subject of money laundering conduct

FILED
04 FEB 12 AM 10:08
SIC YARD, INC.
NORTHERN DISTRICT OF CALIFORNIA
[Handwritten signature]

KEVIN V. RYAN (CSBN 118321)
United States Attorney

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SI

UNITED STATES OF AMERICA,

Plaintiff,

V.

15 VICTOR CONTE, JR.,
JAMES VALENTE,
16 GREG ANDERSON, and
REMI KORCHEMNY,

Defendants.

CR CR 04 0044

VIOLATIONS

0044

VIOLATIONS: 21 U.S.C. §§ 846 and 841(b)(1)(D)--Conspiracy to Distribute and Possess With Intent to Distribute Anabolic Steroids; 21 U.S.C. §§ 841(a)(1) and (b)(1)(D)--Possession With Intent To Distribute Anabolic Steroids; 18 U.S.C. § 371 and 21 U.S.C. §§ 331(a), 331(k), and 333(a)(2)--Conspiracy to Defraud the United States Through The Introduction and Delivery of Misbranded Drugs With Intent To Defraud and Mislead, And The Misbranding Of Drugs Held For Sale With Intent To Defraud And Mislead; 21 U.S.C. §§ 331(a) and 333(a)(2)--Introduction and Delivery of Misbranded Drugs With Intent To Defraud And Mislead; 21 U.S.C. §§ 331(k) and 333(a)(2)--Misbranding Of Drugs Held For Sale With Intent To Defraud And Mislead; 21 U.S.C. § 333(e)(1)-- Possession With Intent To Distribute Human Growth Hormone; 18 U.S.C. § 1956(h)-- Conspiracy To Launder Monetary Instruments; 18 U.S.C. § 1956(a)(1)(b)(i)-- Money Laundering; 18 U.S.C. § 2--Aiding and Abetting and Willfully Causing; 18 U.S.C. § 982 and 21 U.S.C. §§ 853 and 881--Criminal Forfeiture

SAN FRANCISCO VENUE

INDICTMENT

INDICTMENT

1 The Grand Jury charges:

2 INTRODUCTORY ALLEGATIONS

3 At all times relevant to this Indictment:

4 1. The Bay Area Lab Co-Operative (“Balco”) was a blood-testing laboratory located in
5 Burlingame, California.

6 2. SNAC System, Incorporated (“SNAC”) was a nutritional supplement company
7 operated by Victor Conte, Jr. out of Balco’s office space in Burlingame, California.

8 3. Defendant Victor Conte, Jr. (“Conte”) was the president and chief executive officer of
9 Balco. While operating Balco, Conte and others conspired to distribute performance-enhancing
10 drugs, including anabolic steroids, human growth hormone (“HGH”), erythropoietin (“EPO”),
11 modafinil, and various other prescription drugs, to dozens of professional athletes.

12 4. Defendant James Valente (“Valente”) was the vice-president of Balco. In his role as
13 vice-president, Valente aided Conte in the distribution of performance-enhancing drugs to
14 professional athletes.

15 5. Defendant Greg Anderson (“Anderson”) was a personal trainer in the Burlingame area
16 who purchased performance-enhancing drugs from Balco and distributed them to professional
17 athletes.

18 6. Defendant Remi Korchemny (“Korchemny”) was a track coach working in the San
19 Francisco Bay Area who acquired performance-enhancing drugs from Conte and provided them
20 to track athletes.

21 7. Under the Federal Food, Drug, and Cosmetic Act (FDCA), drugs were defined as
22 articles intended for use in the cure, mitigation, treatment, or prevention of disease in man (21
23 U.S.C. §321(g)(1)(B)); articles intended to affect the structure or function of the body of man (21
24 U.S.C. §321(g)(1)(C)); and articles intended for use as components of other drugs (21 U.S.C.
25 § 321(g)(1)(D)). A drug intended for use in man which, because of its toxicity, or other
26 potentiality for harmful effect, or the method of its use, or the collateral measures necessary to its
27 use, was not safe for use except under the supervision of a practitioner licensed by law to
28 administer such drug; and a drug which was limited by an approved application under 21 U.S.C.

1 § 355 to use under the professional supervision of a practitioner licensed by law to administer
2 such drug, could only be dispensed by a practitioner licensed by law pursuant to a lawful
3 prescription. 21 U.S.C. § 353(b)(1). These drugs were commonly known as "prescription
4 drugs."

5 8. Under the FDCA, every person upon first engaging in the manufacture, preparation,
6 propagation, compounding, or processing of drugs in any establishment he or she owned or
7 operated was required to immediately register his or her name, places of business, and all such
8 establishments. 21 U.S.C. § 360(c). The terms "manufacture, preparation, propagation,
9 compounding, or processing" included repackaging or otherwise changing the container,
10 wrapper, or labeling of any drug in furtherance of the distribution of the drug from the original
11 place of manufacture to the person who makes the final sale to the ultimate consumer or user. 21
12 U.S.C. § 360(a)(1).

13 9. The term "labeling" was defined as all labels and other printed or graphic matter upon
14 any article or any of its containers or wrappers, or accompanying such article. 21 U.S.C.
15 § 321(m).

16 10. A drug was misbranded if, among other things:

- 17 a. its labeling was false or misleading in any particular (21 U.S.C. 352(a));
- 18 b. the drug was in package form and did not bear a label containing the name and
19 place of business of the manufacturer, packer, or distributor (21 U.S.C. § 352(b));
- 20 c. the labeling on the drug did not bear adequate directions for use (21 U.S.C. §
21 352(f)(1));
- 22 d. the labeling on the drug did not bear such adequate warnings against use in
23 those pathological conditions, and by children where its use may be dangerous to
24 health, and against unsafe dosage and methods and duration of administration and
25 application, in such manner and form, as were necessary for the protection of
26 users (21 U.S.C. § 352(f)(2));
- 27 e. the drug was dangerous to health when used in the dosage and manner and with
28 the frequency and duration prescribed, recommended, and suggested in the

1 labeling thereof (21 U.S.C. § 352(j)); or

2 f. the drug was a prescription drug dispensed without a prescription (21 U.S.C.
3 § 353(b)(1)).

4 11. The term "human growth hormone" meant somatrem, somatropin, or an analogue of
5 either somatrem or somatropin. 21 U.S.C. § 333(e)(4). Somatropin was a synthetic or naturally
6 occurring growth hormone from the human pituitary gland. Somatrem was an analogue of
7 somatropin.

8 12. The term "anabolic steroid" meant any drug or hormonal substance, chemically and
9 pharmacologically related to testosterone (other than estrogens, progestins, and corticosteroids)
10 that promoted muscle growth, and included testosterone and nandrolone and their analogues. 21
11 U.S.C. § 802(41)(A).

12 **COUNT ONE:** (21 U.S.C. §§ 846 and 841(b)(1)(D) -- Conspiracy to Distribute and Possess
13 With Intent To Distribute Anabolic Steroids)

14 13. Paragraphs One Through Twelve are hereby realleged and incorporated by reference
15 as if set forth in full herein.

16 14. On or about and between December 1, 2001, and September 3, 2003, in San Mateo
17 County, in the Northern District of California, and elsewhere, the defendants

18 VICTOR CONTE, JR.,
19 JAMES VALENTE,
20 GREG ANDERSON, and
21 REMI KORCHEMNY,

22 and others known and unknown to the Grand Jury, did knowingly and intentionally conspire to
23 distribute and possess with intent to distribute a Schedule III controlled substance, to wit: the
24 anabolic steroid testosterone, in violation of Title 21, United States Code Sections 841(a)(1) and
25 841(b)(1)(D).

26 **OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY**

27 15. In furtherance of the conspiracy and to attain its ends, the defendants committed the
28 following overt acts, among others, in the Northern District of California and elsewhere:

29 a. On or about December 1, 2001, in San Mateo County, defendants Conte,
30 Valente and Korchemny distributed the anabolic steroid testosterone to a track and field athlete.

b. On or about February 1, 2002, in San Mateo County, defendants Conte, Valente and Anderson distributed the anabolic steroid testosterone to a professional baseball player.

c. On or about April 1, 2002, in San Mateo County, defendants Conte and Valente distributed the anabolic steroid testosterone to a professional football player.

d. On or about September 1, 2002, in San Mateo County, defendants Conte, Valente and Korchemny distributed the anabolic steroid testosterone to a track and field athlete.

e. On or about January 1, 2003, in San Mateo County, defendants Conte, Valente and Anderson distributed the anabolic steroid testosterone to a professional baseball player.

f. On or about June 1, 2003, in San Mateo County, defendants Conte and Valente distributed the anabolic steroid testosterone to a professional football player.

All in violation of Title 21, United States Code, Section 846.

COUNT TWO: (21 U.S.C. §§ 841(a)(1) and (b)(1)(D); 18 U.S.C. § 2--Possession With Intent To Distribute Anabolic Steroids; Aiding and Abetting)

16. On or about December 1, 2001, in San Mateo County, in the Northern District of California, the defendants

VICTOR CONTE,
JAMES VALENTE, and
REMI KORCHEMNY

did knowingly and intentionally possess with intent to distribute a Schedule III controlled substance, to wit: the anabolic steroid testosterone, in violation of Title 21, United States Code, Sections 841(a)(1) and (b)(1)(D) and Title 18, United States Code, Section 2.

COUNT THREE: (21 U.S.C. §§ 841(a)(1) and (b)(1)(D); 18 U.S.C. § 2--Possession With Intent To Distribute Anabolic Steroids; Aiding and Abetting)

17. On or about February 1, 2002, in San Mateo County, in the Northern District of California, the defendants

VICTOR CONTE, JR.,
JAMES VALENTE, and
GREG ANDERSON

did knowingly and intentionally possess with intent to distribute a Schedule III controlled substance, to wit: the anabolic steroid testosterone, in violation of Title 21, United States Code,

1 Sections 841(a)(1) and (b)(1)(D) and Title 18, United States Code, Section 2.

2 COUNT FOUR: (21 U.S.C. §§ 841(a)(1) and (b)(1)(D); 18 U.S.C. § 2--Possession With Intent
3 To Distribute Anabolic Steroids; Aiding and Abetting)

4 18. On or about April 1, 2002, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR., and
7 JAMES VALENTE

8 did knowingly and intentionally possess with intent to distribute a Schedule III controlled
9 substance, to wit: the anabolic steroid testosterone, in violation of Title 21, United States Code,
10 Sections 841(a)(1) and (b)(1)(D) and Title 18, United States Code, Section 2.

11 COUNT FIVE: (21 U.S.C. §§ 841(a)(1) and (b)(1)(D); 18 U.S.C. § 2--Possession With Intent
12 To Distribute Anabolic Steroids; Aiding and Abetting)

13 19. On or about September 1, 2002, in San Mateo County, in the Northern District of
14 California, the defendants

15 VICTOR CONTE, JR.,
16 JAMES VALENTE, and
17 REMI KORCHEMNY

18 did knowingly and intentionally possess with intent to distribute a Schedule III controlled
19 substance, to wit: the anabolic steroid testosterone, in violation of Title 21, United States Code,
20 Sections 841(a)(1) and (b)(1)(D) and Title 18, United States Code, Section 2.

21 COUNT SIX: (21 U.S.C. §§ 841(a)(1) and (b)(1)(D); 18 U.S.C. § 2--Possession With Intent
22 To Distribute Anabolic Steroids; Aiding and Abetting)

23 20. On or about January 1, 2003, in San Mateo County, in the Northern District of
24 California, the defendants

25 VICTOR CONTE, JR.,
26 JAMES VALENTE, and
27 GREG ANDERSON

28 did knowingly and intentionally possess with intent to distribute a Schedule III controlled
29 substance, to wit: the anabolic steroid testosterone, in violation of Title 21, United States Code,
30 Sections 841(a)(1) and (b)(1)(D) and Title 18, United States Code, Section 2.

31 //

32 //

1 **COUNT SEVEN:** (21 U.S.C. §§ 841(a)(1) and (b)(1)(D); 18 U.S.C. § 2--Possession With Intent
2 To Distribute Anabolic Steroids; Aiding and Abetting)

3 21. On or about June 1, 2003, in San Mateo County, in the Northern District of
4 California, the defendants

5 VICTOR CONTE, JR.,
6 JAMES VALENTE, and
7 GREG ANDERSON

8 did knowingly and intentionally possess with intent to distribute a Schedule III controlled
9 substance, to wit: the anabolic steroid testosterone, in violation of Title 21, United States Code,
10 Sections 841(a)(1) and (b)(1)(D) and Title 18, United States Code, Section 2.

11 **COUNT EIGHT:** (18 U.S.C. § 371--Conspiracy To Defraud The United States)

12 22. Paragraphs One Through Twelve are hereby realleged and incorporated by reference
13 as if set forth in full herein.

14 **CONSPIRACY TO DEFRAUD**

15 23. On or about and between September 1, 2000, and September 3, 2003, in San Mateo
16 County, in the Northern District of California, and elsewhere, the defendants

17 VICTOR CONTE, JR.,
18 JAMES VALENTE,
19 GREG ANDERSON, and
20 REMI KORCHEMNY,

21 and others known and unknown to the Grand Jury, did knowingly and intentionally conspire to
22 defraud the United States, that is the defendants conspired to:

23 a. introduce and deliver for introduction into interstate commerce, with the intent
24 to defraud and mislead, misbranded drugs, in violation of Title 21, United
25 States Code, Sections 331(a) and 333(a)(2); and
26 b. misbrand a drug while it was held for sale, after receiving it in interstate
27 commerce, with the intent to defraud and mislead in violation of Title 21,
28 United States Code, Sections 331(k) and 333(a)(2).

29 **MANNER AND MEANS OF THE CONSPIRACY**

30 24. It was part of the conspiracy to defraud that defendants Conte, Valente, Anderson,
31 and Korchemny knowingly distributed to professional athletes an anabolic steroid in the form of
32 a testosterone-based cream, a/k/a "The Cream," without adequate directions regarding its use in
33 its labeling. The anabolic steroid had been mixed with an epitestosterone cream prior to its

1 distribution to athletes specifically with the intention of balancing the user's
2 testosterone/epitestosterone ratio, thus concealing the individual athlete's elevated testosterone
3 level from drug testing.

4 25. It was further part of the conspiracy to defraud that defendants Conte, Valente,
5 Anderson, and Korchemny knowingly distributed to athletes a liquid drug "The Clear," a/k/a
6 tetrahydراestrinone, a/k/a "THG," without adequate directions regarding its use in its labeling,
7 and recommended the substance to athletes as a "designer steroid," or "steroid-like derivative,"
8 which would provide "steroid-like" effects without causing the athlete to test positive for
9 steroids.

10 26. It was further part of the conspiracy to defraud that defendants Conte, Valente,
11 Anderson, and Korchemny knowingly distributed to athletes a prescription drug, human growth
12 hormone a/k/a "HGH", without a valid prescription and for a purpose other than treatment of a
13 disease or recognized medical condition for which its use had been authorized by the Secretary of
14 the Department of Health and Human Services.

15 27. It was further part of the conspiracy to defraud that defendants Conte, Valente, and
16 Korchemny knowingly dispensed to athletes a prescription drug, erythropoietin a/k/a/ "EPO"
17 without a valid prescription and for the purpose of affecting the function of the body, to wit:
18 increasing the red cell count in the bloodstream.

19 28. It was further a part of the conspiracy to defraud that defendants Conte, Valente, and
20 Korchemny knowingly dispensed to athletes the prescription drug modafinil without a valid
21 prescription and for the purpose of affecting the function of the body, to wit: increasing
22 wakefulness and the ability to focus and think clearly.

23 29. It was further a part of the conspiracy to defraud that in connection with the
24 distribution and dispensing of drugs described in paragraphs 24-28 above, the defendants Conte,
25 Valente, Anderson, and Korchemny attempted to conceal their illegal activities from the Food
26 and Drug Administration and law enforcement through the following techniques:

27 a. using false names on the mailing labels of packages containing drugs;
28 b. trafficking specifically in drugs which were either designed to avoid
 detection as controlled substances or substances for which no accurate testing

procedure existed;

- c. referring to drugs in correspondence and conversation by shorthand abbreviations and codes, such as "The Cream," "C," "The Clear," "Liquid," "L," "G," "E," "P," and "Vitamin S;"
- d. dispensing "The Cream" and "The Clear" in plain unlabeled plastic bottles without any directions for the use of the product, or information on the nature of the substance;
- e. informing the athletes receiving the substances of the need to be careful and secretive regarding their use of the drugs;
- f. providing athletes with false cover stories regarding the nature of the drugs to provide to authorities; and
- g. entering into agreements with athletes by which athletes provided endorsements for ZMA, a nutritional supplement sold by Conte, in exchange for drugs, thus disguising a portion of the proceeds otherwise traceable to Conte.

OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY

30. In furtherance of the conspiracy and to attain its ends, the defendants committed the following overt acts, among others, in the Northern District of California and elsewhere:

- a. On or about April 23, 2001, in San Mateo County, defendants Conte, Valente, and Korchemny distributed "Clear," "HGH," and "EPO" to a track and field athlete without a valid prescription from a licensed practitioner.
- b. On or about July 23, 2001, in San Mateo County, defendants Conte, Valente, and Korchemny distributed "Clear," "HGH," and "EPO" to a professional track and field athlete without a valid prescription from a licensed practitioner.
- c. On or about November 5, 2001, in San Mateo County, defendant Anderson distributed "HGH" to a professional baseball player without a valid prescription from a licensed practitioner.
- d. On or about December 1, 2001, in San Mateo County, defendants Conte, Valente, and Korchemny distributed "Cream" and "Clear" to a track and field athlete without a valid prescription from a licensed practitioner.
- e. On or about February 1, 2002, in San Mateo County, defendants Conte, Valente, and Anderson distributed "Cream" to a professional baseball player without a valid prescription from a licensed practitioner.

1 f. On or about April 1, 2002, in San Mateo County, defendants Conte and
2 Valente distributed "Cream" to a professional football player without a valid prescription from a
3 licensed practitioner.

4 g. On or about June 11, 2002, in San Mateo County, defendants Conte, Valente,
5 and Korchemny distributed modafinil to a track and field athlete without a valid prescription from
6 a licensed practitioner.

7 h. On or about July 13, 2002, in San Mateo County, defendants Conte, Valente,
8 and Anderson distributed "Clear" to a professional baseball player without a valid prescription
9 from a licensed practitioner.

10 i. On or about September 1, 2002, in San Mateo County, defendants Conte and
11 Korchemny distributed "Cream" to a track and field athlete without a valid prescription from a
12 licensed practitioner.

13 j. On or about November 25, 2002, in San Mateo County, defendant Anderson
14 distributed "HGH" to a professional baseball player without a valid prescription from a licensed
15 practitioner.

16 k. On or about January 1, 2003, in San Mateo County, defendants Conte, Valente,
17 and Anderson distributed "Cream" and "Clear" to a professional baseball player without a valid
18 prescription from a licensed practitioner.

19 l. On or about January 24, 2003, in San Mateo County, defendants Conte,
20 Valente, and Anderson distributed "Clear" to a professional baseball player without a valid
21 prescription from a licensed practitioner.

22 m. On or about March 5, 2003, in San Mateo County, defendants Conte, Valente,
23 and Anderson distributed "Clear" to a professional football player without a valid prescription
24 from a licensed practitioner.

25 n. On or about June 1, 2003, in San Mateo County, defendants Conte and
26 Korchemny distributed "EPO" to a track and field athlete without a valid prescription from a
27 licensed practitioner.

28 o. On or about June 1, 2003, in San Mateo County, defendants Conte and Valente

1 distributed "Cream" to a professional football player without a valid prescription from a licensed
2 practitioner.

3 p. On or about July 3, 2003, in San Mateo County, defendants Conte and Valente
4 distributed "Clear" and modafinil to a track and field athlete without a valid prescription from a
5 licensed practitioner.

6 All in violation of Title 18, United States Code, Section 371.

7 COUNT NINE: (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2-- Introduction/Delivery for
8 Introduction of Misbranded Drugs With Intent To Defraud And Mislead; Aiding
and Abetting)

9 31. On or about February 1, 2002, in San Mateo County, in the Northern District of
10 California, the defendants

VICTOR CONTE, JR.,
JAMES VALENTE, and
GREG ANDERSON

12 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
13 commerce a drug they described as "The Cream," an anabolic steroid in the form of a
14 testosterone-based cream, which was misbranded:

- 15 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
16 not bear a label containing the name and place of business of the manufacturer,
packer, or distributor; and
- 17 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
18 directions for use, and also failed to bear adequate warnings against its use in
those pathological conditions or by children whereby its use might be
19 dangerous to health, or against unsafe dosage or methods or duration of
administration or application.

20 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title 18,
21 United States Code, Section 2.

22 COUNT TEN: (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2--Introduction/Delivery for
23 Introduction of Misbranded Drugs With Intent To Defraud And Mislead;
Aiding and Abetting)

24 32. On or about April 1, 2002, in San Mateo County, in the Northern District of
25 California, the defendants

VICTOR CONTE, JR., and
JAMES VALENTE

28 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate

1 commerce a drug they described as "The Cream," an anabolic steroid in the form of a
2 testosterone-based cream, which was misbranded:

3 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and
4 did not bear a label containing the name and place of business of the
5 manufacturer, packer, or distributor; and
6 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
7 directions for use, and also failed to bear adequate warnings against its use in
8 those pathological conditions or by children whereby its use might be
9 dangerous to health, or against unsafe dosage or methods or duration of
10 administration or application.

11 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
12 18, United States Code, Section 2.

13 **COUNT ELEVEN:** (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2--Introduction/Delivery
14 For Introduction of Misbranded Drugs With Intent To Defraud And
15 Mislead; Aiding and Abetting)

16 33. On or about July 13, 2002, in San Mateo County, in the Northern District of
17 California, the defendants

18 VICTOR CONTE, JR.,
19 JAMES VALENTE, and
20 GREG ANDERSON

21 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
22 commerce a drug they described as "The Clear," also known as tetrahydрагестриноне, a/k/a
23 "THG," which was misbranded:

24 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
25 not bear a label containing the name and place of business of the manufacturer,
26 packer, or distributor; and
27 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
28 directions for use, and also failed to bear adequate warnings against its use in
those pathological conditions or by children whereby its use might be
dangerous to health, or against unsafe dosage or methods or duration of
administration or application.

29 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
30 18, United States Code, Section 2.

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32 //
33 //

1 COUNT TWELVE: (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2--
2 Introduction/Delivery For Introduction of Misbranded Drugs With Intent
3 To Defraud And Mislead; Aiding and Abetting)

4 34. On or about January 1, 2003, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR.,
7 JAMES VALENTE, and
8 GREG ANDERSON

9 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
10 commerce a drug they described as "The Cream," an anabolic steroid in the form of a
11 testosterone-based cream, which was misbranded:

12 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
13 not bear a label containing the name and place of business of the manufacturer,
14 packer, or distributor; and
15 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
16 directions for use, and also failed to bear adequate warnings against its use in
17 those pathological conditions or by children whereby its use might be
18 dangerous to health, or against unsafe dosage or methods or duration of
19 administration or application.

20 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
21 18, United States Code, Section 2.

22 COUNT THIRTEEN: (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2--Introduction/Delivery
23 For Introduction of Misbranded Drugs With Intent To Defraud And
24 Mislead; Aiding and Abetting)

25 35. On or about January 1, 2003, in San Mateo County, in the Northern District of
26 California, the defendants

27 VICTOR CONTE, JR.,
28 JAMES VALENTE, and
29 GREG ANDERSON

30 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
31 commerce a drug they described as "The Clear," also known as tetrahydragestrinone, a/k/a
32 "THG," which was misbranded:

33 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
34 not bear a label containing the name and place of business of the manufacturer,
35 packer, or distributor; and
36 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
37 directions for use, and also failed to bear adequate warnings against its use in

those pathological conditions or by children whereby its use might be dangerous to health, or against unsafe dosage or methods or duration of administration or application.

3 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
4 18, United States Code, Section 2.

5 **COUNT FOURTEEN:** (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2—
6 Introduction/Delivery For Introduction of Misbranded Drugs With Intent
To Defraud And Mislead; Aiding and Abetting)

7 36. On or about January 24, 2003, in San Mateo County, in the Northern District of
8 California, the defendants

VICTOR CONTE, JR.,
JAMES VALENTE, and
GREG ANDERSON

11 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
12 commerce a drug described as "The Clear," also known as tetrahydрагестриноне, a/k/a "THG,"
13 which was misbranded:

- a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did not bear a label containing the name and place of business of the manufacturer, packer, or distributor; and
- b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate directions for use, and also failed to bear adequate warnings against its use in those pathological conditions or by children whereby its use might be dangerous to health, or against unsafe dosage or methods or duration of administration or application.

19 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
20 18, United States Code, Section 2.

21 COUNT FIFTEEN: (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2—
22 Introduction/Delivery For Introduction of Misbranded Drugs With Intent
To Defraud And Mislead; Aiding and Abetting)

23 37. On or about March 5, 2003, in San Mateo County, in the Northern District of
24 California, the defendants

VICTOR CONTE, JR.,
JAMES VALENTE, and
GREG ANDERSON

27 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
28 commerce a drug they described as "The Clear," also known as tetrahydрагестринон, a/k/a

1 "THG," which was misbranded:

2 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
3 not bear a label containing the name and place of business of the manufacturer,
4 packer, or distributor; and
5 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
6 directions for use, and also failed to bear adequate warnings against its use in
7 those pathological conditions or by children whereby its use might be
8 dangerous to health, or against unsafe dosage or methods or duration of
9 administration or application.

10 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
11 18, United States Code, Section 2.

12 **COUNT SIXTEEN:** (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2--Introduction/Delivery
13 For Introduction of Misbranded Drugs With Intent To Defraud And
14 Mislead; Aiding and Abetting)

15 38. On or about June 1, 2003, in San Mateo County, in the Northern District of
16 California, the defendants

17 VICTOR CONTE, JR. and
18 JAMES VALENTE

19 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
20 commerce a drug they described as "The Cream," an anabolic steroid in the form of a
21 testosterone-based cream, which was misbranded:

22 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
23 not bear a label containing the name and place of business of the manufacturer,
24 packer, or distributor; and
25 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
26 directions for use, and also did not bear adequate warnings against its use in
27 those pathological conditions or by children whereby its use might be
28 dangerous to health, or against unsafe dosage or methods or duration of
administration or application.

29 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
30 18, United States Code, Section 2.

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1 COUNT SEVENTEEN: (21 U.S.C. §§ 331(a) and 333(a)(2); 18 U.S.C. § 2—
2 Introduction/Delivery For Introduction of Misbranded Drugs
3 With Intent To Defraud And Mislead; Aiding and Abetting)

4 39. On or about July 3, 2003, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR., and
7 JAMES VALENTE

8 did, with the intent to defraud and mislead, introduce and deliver for introduction into interstate
9 commerce a drug they described as “The Clear,” also known as tetrahydрагестриноне, a/k/a THG,
10 which was misbranded:

11 a) as defined in 21 U.S.C. § 352(b), in that the drug was in package form and did
12 not bear a label containing the name and place of business of the manufacturer,
13 packer, or distributor; and
14 b) as defined in 21 U.S.C. § 352(f), in that its labeling failed to bear adequate
15 directions for use, and also failed to bear adequate warnings against its use in
16 those pathological conditions or by children whereby its use might be
17 dangerous to health, or against unsafe dosage or methods or duration of
18 administration or application.

19 All in violation of Title 21, United States Code, Sections 331(a) and 333(a)(2), and Title
20 18, United States Code, Section 2.

21 COUNT EIGHTEEN: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
22 Of A Drug While Held For Sale With Intent To Defraud And Mislead;
23 Aiding and Abetting)

24 40. On or about April 23, 2001, in San Mateo County, in the Northern District of
25 California, the defendants

26 VICTOR CONTE, JR.,
27 JAMES VALENTE, and
28 REMI KORCHEMNY

29 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, the drug
30 they described as “The Clear,” also known as tetrahydрагестриноне, a/k/a “THG,” to a consumer
31 without the valid prescription of a licensed practitioner, which is deemed an act which resulted in
32 the drug being misbranded while held for sale after shipment in interstate commerce pursuant to
33 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code, Sections 331(k) and 333(a)(2),
34 and Title 18, United States Code, Section 2.

1 COUNT NINETEEN: (21 U.S.C. §§331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding Of
2 Drug Held For Sale With Intent To Defraud And Mislead;
3 Aiding and Abetting)

4 41. On or about April 23, 2001, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR., and
7 JAMES VALENTE

8 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, human
9 growth hormone, a/k/a "HGH," to a consumer without the valid prescription of a licensed
10 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
11 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
12 21, United States Code, Sections 331(k) and 333(a)(2), and Title 18, United States Code, Section
13 2.

14 COUNT TWENTY: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding Of a
15 Drug While Held For Sale With Intent To Defraud And Mislead;
16 Aiding and Abetting)

17 42. On or about April 23, 2001, in San Mateo County, in the Northern District of
18 California, the defendants

19 VICTOR CONTE, JR.,
20 JAMES VALENTE, and
21 REMI KORCHEMNY

22 did, with the intent to defraud and mislead, dispense a prescription drug, specifically,
23 erythropoietin, a/k/a "EPO," to a consumer without the valid prescription of a licensed
24 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
25 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
26 21, United States Code, Sections 331(k) and 333(a)(2), and Title 18, United States Code, Section
27 2.

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1 COUNT TWENTY-ONE: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
2 Of a Drug While Held For Sale With Intent To Defraud And
3 Mislead; Aiding and Abetting)

4 43. On or about July 23, 2001, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR.,
7 JAMES VALENTE, and
8 REMI KORCHEMNY

9 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, the drug
10 they described as "The Clear," also known as tetrahydрагестриноне, a/k/a "THG," to a consumer
11 without the valid prescription of a licensed practitioner, which is deemed an act which resulted in
12 the drug being misbranded while held for sale after shipment in interstate commerce pursuant to
13 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code, Sections 331(k) and 333(a)(2),
14 and Title 18, United States Code, Section 2.

15 COUNT TWENTY-TWO: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
16 Of Drug Held For Sale With Intent To Defraud And Mislead;
17 Aiding and Abetting)

18 44. On or about July 23, 2001, in San Mateo County, in the Northern District of
19 California, the defendants

20 VICTOR CONTE, JR.,
21 JAMES VALENTE, and
22 REMI KORCHEMNY

23 did, with the intent to defraud and mislead, dispense a prescription drug, specifically,
24 erythropoietin, a/k/a "EPO," to a consumer without the valid prescription of a licensed
25 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
26 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
27 21, United States Code, Sections 331(k) and 333(a)(2), and Title 18, United States Code, Section
28 2.

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1 COUNT TWENTY-THREE: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
2 Of Drug Held For Sale With Intent To Defraud And Mislead;
3 Aiding and Abetting)

4 45. On or about July 23, 2001, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR., and
7 JAMES VALENTE

8 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, human
9 growth hormone, a/k/a "HGH," to a consumer without the valid prescription of a licensed
10 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
11 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
12 21, United States Code, Sections 331(k) and 333(a)(2), and Title 18, United States Code, Section
13 2.

14 COUNT TWENTY-FOUR: (21 U.S.C. §§ 331(k) and 333(a)(2)--Misbranding of Drugs While
15 Held For Sale With Intent To Defraud And Mislead)

16 46. On or about November 5, 2001, in San Mateo County, in the Northern District of
17 California, the defendant

18 GREG ANDERSON

19 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, human
20 growth hormone, a/k/a "HGH," to a consumer without the valid prescription of a licensed
21 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
22 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
23 21, United States Code, Sections 331(k) and 333(a)(2).

24 COUNT TWENTY-FIVE: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
25 Of Drug While Held For Sale With Intent To Defraud And
26 Mislead; Aiding and Abetting)

27 47. On or about December 1, 2001, in San Mateo County, in the Northern District of
28 California, the defendants

VICTOR CONTE, JR.,
JAMES VALENTE, and
REMI KORCHEMNY

did, with the intent to defraud and mislead, dispense a prescription drug, specifically, the drug
they described as "The Clear," also known as tetrahydراgestrinone, a/k/a "THG," to a consumer

1 without the valid prescription of a licensed practitioner, which is deemed an act which resulted in
2 the drug being misbranded while held for sale after shipment in interstate commerce pursuant to
3 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code, Sections 331(k) and 333(a)(2),
4 and Title 18, United States Code, Section 2.

5 COUNT TWENTY-SIX: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
6 Of Drug While Held For Sale With Intent To Defraud And Mislead;
7 Aiding and Abetting)

8 48. On or about December 1, 2001, in San Mateo County, in the Northern District of
9 California, the defendants

10 VICTOR CONTE, JR.,
11 JAMES VALENTE, and
12 REMI KORCHEMNY

13 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, the drug
14 they described as "The Cream," an anabolic steroid in the form of a testosterone-based cream, to a
15 consumer without the valid prescription of a licensed practitioner, which is deemed an act which
16 resulted in the drug being misbranded while held for sale after shipment in interstate commerce
17 pursuant to 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code, Sections 331(k)
18 and 333(a)(2), and Title 18, United States Code, Section 2.

19 COUNT TWENTY-SEVEN: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding
20 Of a Drug While Held For Sale With Intent To Defraud And
21 Mislead; Aiding and Abetting)

22 49. On or about June 11, 2002, in San Mateo County, in the Northern District of
23 California, the defendants

24 VICTOR CONTE, JR.,
25 JAMES VALENTE, and
26 REMI KORCHEMNY

27 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, modafinil,
28 to a consumer without the valid prescription of a licensed practitioner, which is deemed an act
which resulted in the drug being misbranded while held for sale after shipment in interstate
commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code,
Sections 331(k) and 333(a)(2), and Title 18, United States Code, Section 2.

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1 COUNT TWENTY-EIGHT: (21 U.S.C. §§ 331(k) and 333(a)(2), and 18 U.S.C. § 2--
2 Misbranding Of a Drug While Held For Sale With Intent To
3 Defraud And Mislead; Aiding and Abetting)

4 50. On or about September 1, 2002, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR.,
7 JAMES VALENTE, and
8 REMI KORCHEMNY

9 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, the drug
10 they described as "The Cream," an anabolic steroid in the form of a testosterone-based cream, to
11 a consumer without the valid prescription of a licensed practitioner, which is deemed an act which
12 resulted in the drug being misbranded while held for sale after shipment in interstate commerce
13 pursuant to 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code, Sections 331(k)
14 and 333(a)(2), and Title 18, United States Code, Section 2.

15 COUNT TWENTY-NINE: (21 U.S.C. §§331(k) and 333(a)(2)--Misbranding of a Drug While
16 Held For Sale With Intent To Defraud And Mislead)

17 51. On or about November 25, 2002, in San Mateo County, in the Northern District of
18 California, the defendant

19 GREG ANDERSON

20 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, human
21 growth hormone, a/k/a "HGH," to a consumer without the valid prescription of a licensed
22 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
23 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
24 21, United States Code, Sections 331(a) and 333(a)(2).

25 COUNT THIRTY: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding Of
26 A Drug While Held For Sale With Intent To Defraud And Mislead;
27 Aiding and Abetting)

28 52. On or about June 1, 2003, in San Mateo County, in the Northern District of
California, the defendants

VICTOR CONTE, JR.,
JAMES VALENTE, and
REMI KORCHEMNY

did, with the intent to defraud and mislead, dispense a prescription drug, specifically,

1 erythropoietin, a/k/a "EPO," to a consumer without the valid prescription of a licensed
2 practitioner, which is deemed an act which resulted in the drug being misbranded while held for
3 sale after shipment in interstate commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title
4 21, United States Code, Sections 331(a) and 333(a)(2), and Title 18, United States Code, Section
5 2.
6

7 COUNT THIRTY-ONE: (21 U.S.C. §§ 331(k) and 333(a)(2); 18 U.S.C. § 2--Misbranding of
A Drug While Held for Sale With Intent To Defraud And Mislead;
Aiding and Abetting)

8 53. On or about July 3, 2003, in San Mateo County, in the Northern District of
9 California, the defendants

10 VICTOR CONTE, JR.,
11 JAMES VALENTE, and
GREG ANDERSON

12 did, with the intent to defraud and mislead, dispense a prescription drug, specifically, modafinil,
13 to a consumer without the valid prescription of a licensed practitioner, which is deemed an act
14 which resulted in the drug being misbranded while held for sale after shipment in interstate
15 commerce pursuant to 21 U.S.C. § 353(b)(1), in violation of Title 21, United States Code,
16 Sections 331(k) and 333(a)(2), and Title 18, United States Code, Section 2.

17 COUNT THIRTY-TWO: (21 U.S.C. § 333(e)(1); 18 U.S.C. § 2-- Possession With Intent To
Distribute Human Growth Hormone For Unauthorized Uses;
Aiding and Abetting)

19 54. On or about April 23, 2001, in San Mateo County, in the Northern District of
20 California, the defendants

21 VICTOR CONTE, JR., and
JAMES VALENTE

22 did knowingly possess with intent to distribute human growth hormone, a/k/a "HGH," for a use in
23 humans other than the treatment of a disease or other recognized medical condition, where such
24 use had been authorized by the Secretary of Health and Human Services, and pursuant to the order
25 of a physician, in violation of Title 21, United States Code, Section 333(e)(1), and Title 18,
26 United States Code, Section 2.
27 //

1 COUNT THIRTY-THREE: (21 U.S.C. § 333(e)(1); 18 U.S.C. § 2-- Possession With Intent To
2 Distribute Human Growth Hormone For Unauthorized Uses;
3 Aiding and Abetting)

4 55. On or about July 23, 2001, in San Mateo County, in the Northern District of
5 California, the defendants

6 VICTOR CONTE, JR., and
7 JAMES VALENTE

8 did knowingly possess with intent to distribute human growth hormone, a/k/a "HGH," for a use in
9 humans other than the treatment of a disease or other recognized medical condition, where such
10 use had been authorized by the Secretary of Health and Human Services, and pursuant to the order
11 of a physician, in violation of Title 21, United States Code, Section 333(e)(1), and Title 18,
12 United States Code, Section 2.

13 COUNT THIRTY-FOUR: (21 U.S.C. § 333(e)(1)-- Possession With Intent To Distribute
14 Human Growth Hormone For Unauthorized Uses)

15 56. On or about November 5, 2001, in San Mateo County, in the Northern District of
16 California, the defendant

17 GREG ANDERSON

18 did knowingly possess with intent to distribute human growth hormone, a/k/a "HGH," for a use in
19 humans other than the treatment of a disease or other recognized medical condition, where such
20 use had been authorized by the Secretary of Health and Human Services, and pursuant to the order
21 of a physician, in violation of Title 21, United States Code, Section 333(e)(1).

22 COUNT THIRTY-FIVE: (21 U.S.C. § 333(e)(1)-- Possession With Intent to Distribute Human
23 Growth Hormone For Unauthorized Uses)

24 57. On or about November 25, 2002, in San Mateo County, in the Northern District
25 of California, the defendant

26 GREG ANDERSON

27 did knowingly possess with intent to distribute human growth hormone, a/k/a "HGH," for a use in
28 humans other than the treatment of a disease or other recognized medical condition, where such
use had been authorized by the Secretary of Health and Human Services, and pursuant to the order
of a physician, in violation of Title 21, United States Code, Section 333(e)(1).

1 COUNT THIRTY-SIX: (18 U.S.C. § 1956(h)--Conspiracy to Launder Monetary Instruments)

2 58. The allegations contained in paragraphs One through Twelve and Counts One
3 through Seven of this Indictment are realleged and incorporated herein.

4 59. On or about and between December 1, 2001, and September 3, 2003, in San Mateo
5 County, in the Northern District of California, and elsewhere, the defendants

6 VICTOR CONTE, JR.,
7 JAMES VALENTE, and
7 GREG ANDERSON,

8 and others known and unknown to the Grand Jury, did knowingly and intentionally conspire to
9 conduct financial transactions affecting interstate commerce which in fact involved the proceeds
10 of specified unlawful activity, that is, a conspiracy to distribute and possess with intent to
11 distribute anabolic steroids, a controlled substance, in violation of Title 21, United States Code,
12 Section 846, knowing that the transactions were designed at least in part to conceal and disguise
13 the nature, the location, the source, the ownership, and the control of the proceeds of the specified
14 unlawful activity, while knowing that the money involved in such financial transactions
15 represented the proceeds of some form of unlawful activity, in violation of Title 18, United States
16 Code, Section 1956(a)(1)(B)(i).

17 MANNER AND MEANS OF THE CONSPIRACY

18 60. The manner and means by which the conspiracy was carried out included the
19 following:

20 a. From on or about December 1, 2001 through September 3, 2003, the
21 defendants engaged in specified unlawful activity, to wit, conspiring to distribute and possess with
22 intent to distribute anabolic steroids, as charged in Count One of the Indictment.

23 b. In order to conceal the proceeds of their unlawful activity, the defendants: (i)
24 segregated proceeds derived from the sale of anabolic steroids from normal business proceeds by
25 placing the criminal proceeds into a personal bank account; and (ii) used a third party to negotiate
26 checks written as payment for the purchase of anabolic steroids, rather than depositing the checks
27 as normal business proceeds.

28

OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY

2 61. In furtherance of the conspiracy and to attain its ends, the defendants committed the
3 following overt acts, among others, in the Northern District of California and elsewhere:

4 a. On or about March 13, 2002, in San Mateo County, defendant Conte deposited
5 a check in the amount of \$950 from a track and field athlete into his personal checking account.

6 b. On or about June 4, 2002, in San Mateo County, defendant Conte deposited a
7 check in the amount of \$960 from a track and field athlete into his personal checking account.

8 c. On or about August 20, 2002, in San Mateo County, defendant Conte
9 deposited a check in the amount of \$1,700 from a professional football player into his personal
10 checking account.

11 d. On or about September 27, 2002, in San Mateo County, defendant Conte
12 deposited a check in the amount of \$1,250 from a professional football player into his personal
13 checking account.

14 e. On or about December 5, 2002, in San Mateo County, defendant Anderson
15 caused another individual to cash a check in the amount of \$1,000 from a professional baseball
16 player.

17 f. On or about December 17, 2002, in San Mateo County, defendant Anderson
18 caused another individual to cash a check in the amount of \$730 from a professional baseball
19 player.

20 g. On or about March 13, 2003, in San Mateo County, defendant Conte
21 deposited a check in the amount of \$300 from a track and field athlete into his personal checking
22 account.

23 h. On or about April 8, 2003, defendant Anderson caused another individual to
24 cash a check in the amount of \$1,200 from a professional baseball player.

All in violation of Title 18, United States Code, Section 1956(h).

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1 COUNT THIRTY-SEVEN: (18 U.S.C. §§ 1956(a)(1)(B)(i) and 2--Money Laundering;
2 Aiding and Abetting)

3 62. Paragraphs One through Twelve, and Count One of this Indictment, are hereby
4 realleged and incorporated by reference as though fully set forth herein.

5 63. On or about June 4, 2002, in San Mateo County, in the Northern District of
6 California, the defendants

7 VICTOR CONTE, JR., and
8 JAMES VALENTE

9 did knowingly conduct a financial transaction affecting interstate commerce, to wit: by depositing
10 a check in the amount of \$960 into defendant Conte's personal checking account, which in fact
11 involved the proceeds of a specified unlawful activity, that is, the conspiracy to distribute and
12 possess with intent to distribute anabolic steroids as set forth in Count One, knowing that the
13 transaction was designed at least in part to conceal and disguise the nature, location, source,
14 ownership, and control of the proceeds of the specified unlawful activity, while knowing that the
15 money involved in such financial transaction represented the proceeds of some form of unlawful
16 activity, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

17 COUNT THIRTY-EIGHT: (18 U.S.C. §§ 1956(a)(1)(B)(i) and 2--Money Laundering;
18 Aiding and Abetting)

19 64. Paragraphs One through Twelve, and Count One of this Indictment, are hereby
20 realleged and incorporated by reference as though fully set forth herein.

21 65. On or about August 20, 2002, in San Mateo County, in the Northern District of
22 California, the defendants

23 VICTOR CONTE, JR., and
24 JAMES VALENTE

25 did knowingly conduct a financial transaction affecting commerce, to wit: by depositing a check
26 in the amount of \$1,700 into defendant Conte's personal checking account, which in fact involved
27 the proceeds of a specified unlawful activity, that is, the conspiracy to distribute and possess with
28 intent to distribute anabolic steroids as set forth in Count One, knowing that the transaction was
designed at least in part to conceal and disguise the nature, location, source, ownership, and
control of the proceeds of the specified unlawful activity, while knowing that the money involved

1 in such financial transaction represented the proceeds of some form of unlawful activity, in
2 violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

3 COUNT THIRTY-NINE: (18 U.S.C. §§ 1956(a)(1)(B)(i) and 2--Money Laundering;
4 Aiding and Abetting)

5 66. Paragraphs One through Twelve, and Count One of this Indictment, are hereby
6 realleged and incorporated by reference as though fully set forth herein.

7 67. On or about September 27, 2002, in San Mateo County, in the Northern District of
8 California, the defendants

9 VICTOR CONTE, JR., and
10 JAMES VALENTE

11 did knowingly conduct a financial transaction affecting interstate commerce, to wit: by depositing
12 a check in the amount of \$1,250 into defendant Conte's personal checking account, which in fact
13 involved the proceeds of a specified unlawful activity, that is, the conspiracy to distribute and
14 possess with intent to distribute anabolic steroids as set forth in Count One, knowing that the
15 transaction was designed at least in part to conceal and disguise the nature, location, source,
16 ownership, and control of the proceeds of the specified unlawful activity, while knowing that the
17 money involved in such financial transaction represented the proceeds of some form of unlawful
18 activity, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

19 COUNT FORTY: (18 U.S.C. §§ 1956(a)(1)(B)(i) and 2; – Money Laundering;
20 Willfully Causing)

21 68. Paragraphs One through Twelve, and Count One of this Indictment, are hereby
22 realleged and incorporated by reference as though fully set forth herein.

23 69. On or about December 5, 2002, in San Mateo County, in the Northern District of
24 California, the defendant

25 GREG ANDERSON

26 did knowingly conduct a financial transaction affecting interstate commerce, to wit: by willfully
27 causing another individual to cash a check in the amount of \$1,000, which in fact involved the
28 proceeds of a specified unlawful activity, that is, the conspiracy to distribute and possess with
intent to distribute anabolic steroids as set forth in Count One, knowing that the transaction was
designed at least in part to conceal and disguise the nature, location, source, ownership, and

1 control of the proceeds of the specified unlawful activity, while knowing that the money involved
2 in such financial transaction represented the proceeds of some form of unlawful activity, in
3 violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

4 COUNT FORTY-ONE: (18 U.S.C. §§ 1956(a)(1)(B)(i) and 2– Money Laundering;
5 Willfully Causing)

6 70. Paragraphs One through Twelve, and Count One of this Indictment, are hereby
7 realleged and incorporated by reference as though fully set forth herein.

8 71. On or about December 17, 2002, in San Mateo County, in the Northern District of
9 California, the defendant

10 GREG ANDERSON

11 did knowingly conduct a financial transaction affecting interstate commerce, to wit: by willfully
12 causing another individual to cash a check in the amount of \$730, which in fact involved the
13 proceeds of a specified unlawful activity, that is, the conspiracy to distribute and possess with
14 intent to distribute anabolic steroids as set forth in Count One, knowing that the transaction was
15 designed at least in part to conceal and disguise the nature, location, source, ownership, and
16 control of the proceeds of the specified unlawful activity, while knowing that the money involved
17 in such financial transaction represented the proceeds of some form of unlawful activity, in
18 violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

19 COUNT FORTY-TWO: (18 U.S.C. §§ 1956(a)(1)(B)(i) and 2– Money Laundering;
20 Willfully Causing)

21 72. Paragraphs One through Twelve, and Count One of this Indictment, are hereby
22 realleged and incorporated by reference as though fully set forth herein.

23 73. On or about April 8, 2003, in San Mateo County, in the Northern District of
24 California, the defendant

25 GREG ANDERSON

26 did knowingly conduct a financial transaction affecting interstate commerce, to wit: by causing
27 another individual to cash a check in the amount of \$1,200, which in fact involved the proceeds of
28 a specified unlawful activity, that is, the conspiracy to distribute and possess with intent to
distribute anabolic steroids as set forth in Count One, knowing that the transaction was designed

1 at least in part to conceal and disguise the nature, location, source, ownership, and control of the
2 proceeds of the specified unlawful activity, while knowing that the money involved in such
3 financial transaction represented the proceeds of some form of unlawful activity, in violation of
4 Title 18, United States Code, Sections 1956(a)(1)(B)(i).

5 **CRIMINAL FORFEITURE ALLEGATION: (21 U.S.C. §§ 853 and 881(a)--Drug Forfeiture)**

6 74. The allegations contained in paragraphs One through Twelve and Counts One
7 through Seven of this Indictment are realleged and incorporated herein.

8 75. As a result of the offenses alleged in Counts One through Seven above, defendants

9
10 VICTOR CONTE, JR.
11 JAMES VALENTE,
GREG ANDERSON, and
REMI KORCHEMNY

12 shall forfeit to the United States all right, title and interest in property constituting and derived
13 from any proceeds, the defendants obtained, directly or indirectly, as a result of said violations,
14 and any property used, or intended to be used, in any manner or part, to commit, or to facilitate the
15 commission of the said violations, including but not limited to the following property:

16 a. approximately \$63,920 in United States currency seized at the residence of
17 Greg Anderson on September 3, 2003;
18 b. a sum of money equal to the total amount of proceeds defendants derived
from the commission of said offenses.

19 76. If, as a result of any act or omission of the defendant, any of said property

20 a. cannot be located upon the exercise of due diligence;
21 b. has been transferred or sold to or deposited with, a third person;
22 c. has been placed beyond the jurisdiction of the Court;
23 d. has been substantially diminished in value; or
24 e. has been commingled with other property which cannot be divided without
25 difficulty;

26 any and all interest defendants have in any other property (not to exceed the value of the above
27 forfeitable property) shall be forfeited to the United States.

28 All in violation of Title 21, United States Code, Sections 853(a)(1), (p), and 881(a) and

1 Rule 32.2 of the Federal Rules of Criminal Procedure.

2 CRIMINAL FORFEITURE ALLEGATION :(18 U.S.C. § 982--Money Laundering Forfeiture)

3 77. The allegations contained in paragraphs One through Twelve and Counts Thirty-Six
4 through Forty-two of this Indictment are realleged and incorporated herein.

5 78. As a result of a conviction of the offenses alleged in Counts Thirty-Six through Forty-
6 Two above, the defendants

7 VICTOR CONTE JR.,
8 JAMES VALENTE, and
9 GREG ANDERSON

10 shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), all
11 right, title and interest in property, real and personal, involved in said violation, or any property
12 traceable to such property, including but not limited to the following:

13 a. all commissions, fees and other property constituting proceeds of said offense;
14 b. all property used in any manner to commit or facilitate the commission of said
15 offense;
16 c. a sum of money equal to the total amount of money involved in the
17 commission of said offense.

18 79. If, as a result of any act or omission of the defendants, any of said property

19 a. cannot be located upon the exercise of due diligence;
20 b. has been transferred or sold to or deposited with, a third person;
21 c. has been placed beyond the jurisdiction of the Court;
22 d. has been substantially diminished in value; or
23 e. has been commingled with other property which cannot be divided without
24 difficulty;

25 //

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1 any and all interest defendants have in any other property, up to value of the property described in
2 paragraph 2 above, shall be forfeited to the United States, pursuant to Title 21, United States
3 Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

4 All in violation of Title 18, United States Code, Sections 982, 1956(h), and Rule 32.2 of
5 the Federal Rules of Criminal Procedure.

6 DATED: A TRUE BILL.

7 2/12/04

8 
9 FOREPERSON

10 
11 KEVIN V. RYAN
12 United States Attorney

13 
14 ROSS W. NADEL
15 Chief, Criminal Division

16 (Approved as to form: 
17 AUSA NEDROW
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